

## **IC 4-3-16**

### **Chapter 16. Small and Minority Business Financial Assistance Program**

#### **IC 4-3-16-1**

##### **"Approved lender" defined**

Sec. 1. As used in this chapter, "approved lender" means:

- (1) any lending institution; or
- (2) any bank, trust company, building and loan association, or credit union;

that is approved by the corporation as a lender under this chapter.

*As added by P.L.16-1988, SEC.2. Amended by P.L.15-1989, SEC.4; P.L.16-1992, SEC.4; P.L.58-2002, SEC.8.*

**Repealed**

*(Repealed by P.L.15-1989, SEC.12.)*

#### **IC 4-3-16-2.5**

##### **"Corporation" defined**

Sec. 2.5. As used in this chapter, "corporation" refers to the Indiana economic development council established under IC 4-3-14.

*As added by P.L.16-1992, SEC.5. Amended by P.L.96-2004, SEC.9.*

#### **IC 4-3-16-2.7**

##### **"Fund" defined**

Sec. 2.7. As used in this chapter, "fund" refers to the microenterprise partnership program fund established by IC 4-3-13-9.

*As added by P.L.16-1992, SEC.6. Amended by P.L.96-2004, SEC.10.*

#### **IC 4-3-16-3**

##### **Repealed**

*(Repealed by P.L.16-1992, SEC.17.)*

#### **IC 4-3-16-3.5**

##### **Repealed**

*(Repealed by P.L.16-1992, SEC.17.)*

#### **IC 4-3-16-4**

##### **"Loan" defined**

Sec. 4. As used in this chapter, "loan" means a direct loan from the fund.

*As added by P.L.16-1988, SEC.2.*

#### **IC 4-3-16-4.5**

##### **"Minority business" defined**

Sec. 4.5. As used in this chapter, "minority business" means an individual, a partnership, a corporation, a limited liability company, or a joint venture of any kind that is owned and controlled by one (1) or more persons who are:

- (1) United States citizens; and
- (2) members of a minority group.

*As added by P.L.16-1992, SEC.7. Amended by P.L.8-1993, SEC.10.*

#### **IC 4-3-16-5**

##### **"Minority group" defined**

Sec. 5. As used in this chapter, "minority group" means:

- (1) blacks;
- (2) American Indians;
- (3) Hispanics;
- (4) Asian Americans; and
- (5) other similar racial minority groups.

*As added by P.L.16-1988, SEC.2. Amended by P.L.16-1992, SEC.8.*

#### **IC 4-3-16-5.5**

##### **"Owned and controlled" defined**

Sec. 5.5. As used in this chapter, "owned and controlled" means having:

- (1) ownership of at least fifty-one percent (51%) of the enterprise, including corporate stock of a corporation;
- (2) control over the management and active in the day to day operations of the business; and
- (3) an interest in the capital, assets, and profits and losses of the business proportionate to the percentage of ownership.

*As added by P.L.16-1992, SEC.9.*

#### **IC 4-3-16-6**

##### **"Program" defined**

Sec. 6. As used in this chapter, "program" refers to the small and minority business financial assistance program established by section 8 of this chapter.

*As added by P.L.16-1988, SEC.2.*

#### **IC 4-3-16-7**

##### **"Small business" defined**

Sec. 7. As used in this chapter, "small business" has the meaning set forth in IC 5-22-14-1. The term includes an independently owned and operated business that is operating under a franchise from another business.

*As added by P.L.16-1988, SEC.2. Amended by P.L.49-1997, SEC.2.*

#### **IC 4-3-16-7.5**

##### **Repealed**

*(Repealed by P.L.58-2002, SEC.11.)*

#### **IC 4-3-16-8**

##### **Purpose of establishment**

Sec. 8. The small and minority business financial assistance program is established to provide loans and loan guarantees under this chapter.

*As added by P.L.16-1988, SEC.2.*

**IC 4-3-16-9****Repealed**

*(Repealed by P.L.16-1992, SEC.17.)*

**IC 4-3-16-10****Repealed**

*(Repealed by P.L.16-1992, SEC.17.)*

**IC 4-3-16-10.5****Repealed**

*(Repealed by P.L.58-2002, SEC.11.)*

**IC 4-3-16-11****Corporation duties**

Sec. 11. The corporation shall do the following:

- (1) Establish and implement the policies and procedures to be used in the administration of this chapter.
- (2) Enter into contracts and guarantee agreements, as necessary, with approved lenders, state governmental agencies, corporations, and United States governmental agencies, including agreements for federal insurance of losses resulting from death, default, bankruptcy, or total and permanent disability of borrowers.
- (3) Establish criteria for awarding loans and loan guarantees from the fund and require that any loan or loan guarantee under this chapter be disbursed and repaid in the manner that the corporation prescribes.
- (4) Accept, use, and disburse federal funds made available to the corporation by the federal government for the purposes described in this section.
- (5) Take, hold, and administer, on behalf of any loan program and for the purposes of this chapter, property and money and the interest and income derived from the property and money either absolutely or in trust.
- (6) Accept gifts, grants, bequests, devises, and loans for the purposes of this chapter.
- (7) Adopt bylaws to implement this chapter.

*As added by P.L.16-1988, SEC.2. Amended by P.L.15-1989, SEC.8; P.L.16-1992, SEC.12; P.L.58-2002, SEC.9.*

**IC 4-3-16-12****State exemption from debts**

Sec. 12. (a) An obligation of the program for losses on loans resulting from death, default, bankruptcy, or total or permanent disability of borrowers is not a debt of the state, but is payable solely from the fund.

(b) The making of loans from the fund does not constitute the lending of credit by the state for purposes of any other statute or the Constitution of the State of Indiana.

*As added by P.L.16-1988, SEC.2. Amended by P.L.16-1992, SEC.13.*

### **IC 4-3-16-13**

#### **Loans; conditions**

Sec. 13. From the fund, the corporation shall:

- (1) guarantee loans made by approved lenders upon conditions prescribed under this chapter to small or minority businesses for the purpose of assisting them in the operation or expansion of their business; and
- (2) make loans upon conditions prescribed under this chapter to small or minority businesses for the purpose of assisting them in the operation and expansion of their business.

*As added by P.L.16-1988, SEC.2. Amended by P.L.15-1989, SEC.9; P.L.16-1992, SEC.14.*

### **IC 4-3-16-14**

#### **Loans; training requirements**

Sec. 14. In making loans from the fund, the corporation shall require that the recipients of the loans receive training in business and financial management skills, including the preparation and filing of state and federal tax returns.

*As added by P.L.16-1988, SEC.2. Amended by P.L.15-1989, SEC.10; P.L.16-1992, SEC.15.*

### **IC 4-3-16-15**

#### **Training consultants; standards for training; duties**

Sec. 15. (a) The training required by section 14 of this chapter may be provided by consultants or staff members of the corporation. The corporation shall establish standards for the training.

(b) The duties of the consultants or staff members are as follows:

- (1) To provide training in business and financial management techniques to the recipients of loans under this chapter when directed by the corporation.
- (2) To oversee the fiscal operations of recipients of loans under this chapter for at least one (1) year following the receipt of the loan.
- (3) To provide fiscal management assistance when necessary for at least one (1) year following the receipt of the loan, including assisting recipients in filing state and federal tax returns.

*As added by P.L.16-1988, SEC.2. Amended by P.L.15-1989, SEC.11; P.L.16-1992, SEC.16; P.L.58-2002, SEC.10.*